

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6115**  
**BILL NUMBER: SB 2**

**NOTE PREPARED:** Feb 26, 2007  
**BILL AMENDED:** Feb 20, 2007

**SUBJECT:** Reduction of Good Time Credit.

**FIRST AUTHOR:** Sen. Drozda  
**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

- A. It creates Department of Correction credit Class IV for felons convicted of certain serious child molesting offenses and certain murders involving sex offenses.
- B. It specifies that persons in credit Class IV earn one day of credit for each six days of incarceration.
- C. It provides that persons in credit Class IV may be placed in a credit class where they earn no credit, but may not be placed in a credit class where they earn more credit.
- D. It adds: (1) promoting prostitution as a Class B felony; (2) promotion of human trafficking if the victim is less than 18 years of age; (3) sexual trafficking of a minor; (4) human trafficking if the victim is less than 18 years of age; and (5) possession of child pornography as a first offense; to the list of offenses requiring a person to register as a sex offender.
- E. It specifies that registration as a sex offender is not required for: (1) a parent or guardian who is convicted of kidnapping or confining a child of the parent or a child over whom the guardian has guardianship; or (2) a person convicted of sexual misconduct with a minor as a Class C felony if the person is not more than four years older than the victim and the court finds that the person should not be required to register.
- F. It establishes a three-tier system for sex offenders and requires offenders: (1) in Tier 3 to register for life; (2) in Tier 2 to register for 25 years; and (3) in Tier 1 to register for 15 years.
- G. It permits Tier 1 offenders to reduce their registration period by five years if they meet certain requirements.
- H. It imposes additional registration requirements.
- I. It makes other changes and conforming amendments.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** (Revised) *Summary* - Under current law, offenders are placed in one of three credit classes based on their conduct in the facilities where they are housed. Credit time refers to the number of days of incarceration that are removed from an offender's sentence for each day they are in the designated credit class.

<u>Credit Class</u>	<u>Credit Time</u>
Class I	One day credit time for each day in Class I
Class II	One day credit time for two days in Class II
Class III	No credit time

All offenders are initially placed in Credit Class I. They may be reassigned to Class II or III if they violate any rule of the penal facility, the Department of Correction (DOC), or the community transition program.

As proposed, a new credit category, Class IV, would be established for offenders who have been convicted and sentenced for child molesting as a Class A felony or murder while committing a sex crime. These offenders would serve six days in a DOC facility before they are permitted to receive any credit time.

The following chart represents the additional offenders that will be added and the additional prison cells that will be needed each year beginning in 2027 through 2043. Beginning in FY 2027, Class A felony offenders would remain in DOC for an additional 14 years, increasing the need for new beds by 928. In order to accommodate these offenders, facilities would need to be constructed to house 928 new beds. For purposes of this analysis, it is assumed that all construction costs would be paid in the year that the new beds are added so that no costs of debt would be incurred. Offenders sentenced for murder while committing child molesting would begin their extended stay in 2042 and not be released until 2065. There are likely to be few offenders who are convicted of murder while committing a sex crime or child molesting who do not receive either the death penalty, life without parole, or a long determinant sentence that is effectively life without parole. For CY 2006, LSA identified two offenders who were sentenced for murder while committing a sex crime. One received life without parole, and the other received a term of 110 years.

Projected Number of Beds Needed and Added Operating Costs (in \$ Millions)																
Fiscal Year	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
New Offenders	58	116	174	232	290	348	406	464	522	580	638	696	754	812	870	928
New Operating Costs (1)	\$1.3	\$2.6	\$4.0	\$5.3	\$6.6	\$7.9	\$9.2	\$10.5	\$11.9	\$13.2	\$14.5	\$15.8	\$17.1	\$18.5	\$19.8	\$21.1
New Beds Needed	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58	58
New Capital Costs (2)	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4
Total Costs	\$5.7	\$7.0	\$8.4	\$9.7	\$11.0	\$12.3	\$13.6	\$14.9	\$16.3	\$17.6	\$18.9	\$20.2	\$21.5	\$22.9	\$24.2	\$25.5
(1) Based on FY 2006 Operating Costs of \$22,743 in Constant Dollars																
(2) Based on Average Cost of \$50,000 per Bed in Constant Dollars																

*Background Information* - Based on commitments to the DOC for CY 2005, the following shows the number of offenders who would be affected by this bill.

*Projected Need for New Beds* – The added population that the DOC will need to accommodate will depend on at least two factors.

(1) The rate that offenders who are released from DOC are recommitted because of new crimes. This recidivism rate assumes that a percentage of offenders will return to DOC facilities because they committed a new crime or violated a technical condition of probation, parole, or some other type of community supervision. For this estimate, a 40% recidivism rate was used. This means that 40% of these offenders will likely return to DOC within their first year of release because they commit a new crime. Since these 40% are assumed to return to prison anyway, the new beds will be for the 60% of the offenders who would not otherwise be returning within one year.

(2) The additional length of time that offenders will be incarcerated in DOC facilities because offenders will spend 83% of their time incarcerated rather than 50%. The following table shows the year of earliest release for a five-year average of the Class A child molesters committed between CY 2002 and 2006 if they were to be released after spending 83% of their sentence incarcerated.

Offense	Offenders Committed Annually	Avg. Prison Term in Years	Year of Release If Offenders Are Sentenced in 2008			
			50% of Sentence Served		85% of Sentence Served	
			Years Spent in Prison Before Release	Earliest Year of Release	Years Spent in Prison Before Release	Earliest Year of Release
Murder	2	69	34.5	2043	57.5	2065
Child Molesting Fel. A	96	42.5	21.25	2028	35.4	2042

*Effect on Earned Credit Time* – Offenders who are not in Credit Class I may enroll in academic and vocational education programs. Offenders who are in Credit Class I and who earn GEDs, high school diplomas, college degrees, and or obtain certificates of completion of vocational programs are eligible for reductions in incarceration time. Consequently, this bill would reduce the number of offenders who would be eligible for earned credit time reduction.

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) Depending on how quickly new facilities can be built for DOC offenders, DOC may need to contract with county sheriffs to house some of the offenders who do not require highly secure cells. Currently, county sheriffs are paid approximately \$35 per day per offender.

*Monitoring Sex Offenders by Tier Groups* – Currently, sex offenders who are released after incarceration are monitored for either ten years or for life if they are by statute sexually violent predators. These added categories and mandates are likely to increase both personnel and travel costs incurred by county sheriffs to monitor these offenders. More analysis of these costs will be added if information becomes available on offenders who are currently in the Indiana Sex Offender Registry.

### **Explanation of Local Revenues:**

**State Agencies Affected:** Department of Correction, Office of Attorney General.

**Local Agencies Affected:** County sheriffs.

**Information Sources:** Department of Correction Data Base; IC 35-50-6-3.3.

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